April 24, 2003

Re: DaimlerChrysler Corporation 067-16664-00065

TO: Interested Parties / Applicant

FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-17-3-4 and 326 IAC 2, this permit modification is effective immediately, unless a petition for stay of effectiveness is filed and granted, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3-7 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, ISTA Building, 150 W. Market Street, Suite 618, Indianapolis, IN 46204, **within (18) eighteen days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

(1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
(2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
(3) the date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

(1) the name and address of the person making the request;
(2) the interest of the person making the request;
(3) identification of any persons represented by the person making the request;
(4) the reasons, with particularity, for the request;
(5) the issues, with particularity, proposed for consideration at any hearing; and
(6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

(over)

Pursuant to 326 IAC 2-7-18(d), any person may petition the U.S. EPA to object to the issuance of a Title V operating permit or modification within sixty (60) days of the end of the forty-five (45) day EPA review period. Such an objection must be based only on issues that were raised with reasonable specificity during the public comment period, unless the petitioner demonstrates that it was impractible to raise such issues, or if the grounds for such objection arose after the comment period.

To petition the U.S. EPA to object to the issuance of a Title V operating permit, contact:

U.S. Environmental Protection Agency
Administrator, Christine Todd Whitman
401 M Street
Washington, D.C. 20406

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosure

PART 70 OPERATING PERMIT
OFFICE OF AIR QUALITY

DaimlerChrysler Corporation
Kokomo Transmission Plant, Plt ID 067-00003
2401 S. Reed Road
Kokomo, Indiana 46904
and
DaimlerChrysler Corporation
Kokomo Casting Plant, Plt ID 067-00002
1001 East Boulevard
Kokomo, Indiana 46904

(DaimlerChrysler Corporation, Kokomo Casting Plant was issued a separate Title V permit, T067-5246-00065. Each is considered part of one Title V major source)

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 and 326 IAC 2-1-3.2 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: T067-6504-00065	
Issued by: Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: September 1, 1999

1st Administrative Amendment: 067-11399-00065	Issuance Date: November 9, 1999
2nd Administrative Amendment: 067-13661-00065	Issuance Date: March 26, 2000
3rd Administrative Amendment: 067-11981-00065	Issuance Date: April 27, 2000
4th Administrative Amendment: 067-11990-00065	Issuance Date: September 1, 2000
5th Administrative Amendment: 067-15176-00065	Issuance Date: March 15, 2001
1st Minor Source Modification: 067-11163-00065	Issuance Date: September 30, 1999
2nd Minor Source Modification: 067-11508-00065	Issuance Date: December 8, 1999
1st Significant Source Modification: 067-12243-00065	Issuance Date: January 4, 2001
3rd Minor Source Modification: 067-14232-00065	Issuance Date: May 1, 2001
1st Significant Permit Modification: 067-15918-00065	Issuance Date: October 17, 2002
6th Administrative Amendment: 067-16442-00065	Issuance Date: January 6, 2003

First Minor Permit Modification 067-16664-00065	Pages Affected: 4,5,9,41,42,45,46,47
Issued by: Original Signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: April 24, 2003

D.2 FACILITY OPERATION CONDITIONS - Boiler 4

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.2.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-1-15]
D.2.2 Sulfur Dioxide (SO2) [326 IAC 7-1.1-1]
D.2.3 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

Compliance Determination Requirements

D.2.4 Sulfur Dioxide Emissions and Sulfur Content for Reclaimed Residual Oil
D.2.5 Testing Requirements [326 IAC 2-7-6(1)]

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.2.6 Visible Emissions Notations
D.2.7 Fuel usage

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.2.8 Record keeping Requirements for reclaimed residual oil
D.2.9 Reporting Requirements
D.2.10 Natural Gas Certification
D.2.11 Used Oil Requirement

D.3 FACILITY OPERATION CONDITIONS - Boiler 5

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.3.1 Particulate Emission Limitations for Sources of Indirect Heating [326 IAC 6-1-15]
D.3.2 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

Compliance Determination Requirements

D.3.3 Testing Requirements [326 IAC 2-7-6(1)]

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5 (1)]

D.3.4 Fuel Usage

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.3.5 Natural gas Certification

D.4 FACILITY OPERATION CONDITIONS -shot blasting

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.4.1 Nonattainment Area Particulate Limitations [326 IAC 6-1-2]
D.4.2 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

Compliance Determination Requirements

D.4.3 Testing Requirements [326 IAC 2-7-6(1)]
D.4.4 Dry Cartridge Filter Operations

Compliance Monitoring Requirements [326 IAC 2-7-6 (1)] [326 IAC 2-7-5 (1)]

D.4.5 Dry Cartridge Filter Inspections
D.4.6 Broken or Failed Cartridge Filter Detection
D.4.7 Visible Emissions Notations

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.4.8 Record Keeping Requirements

D.5 FACILITY OPERATION CONDITIONS - Shot Blasters

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.5.1 Nonattainment Area Particulate Limitations [326 IAC 6-1-2]
D.5.2 Preventive Maintenance Plan [326 IAC 2-7-4 (c)(9)]
D.5.3 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

Compliance Determination Requirements

D.5.4 Testing Requirements [326 IAC 2-7-6(1)]
D.5.5 Wet Scrubber Operation

Compliance Monitoring Requirements [326 IAC 2-7-6 (1)] [326 IAC 2-7-5 (1)]

D.5.6 Scrubber Operation
D.5.7 Visible Emissions Notations

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.5.8 Record Keeping Requirements
D.5.9 Reporting Requirements

D.6 FACILITY OPERATION CONDITIONS - Shot Blasters

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.6.1 Nonattainment Area Particulate Limitations [326 IAC 6-1-2]
D.6.2 PSD Minor Limit [326 IAC 2-2][40 CFR 52.21]
D.6.3 Preventive Maintenance Plan [326 IAC 2-7-4 (c)(9)]
D.6.4 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

Compliance Determination Requirements

D.6.5 Testing Requirements [326 IAC 2-7-6(1)]
D.6.6 Wet Scrubber Operation
D.6.7 Dry Cartridge Filter Operations

Compliance Monitoring Requirements [326 IAC 2-7-6 (1)] [326 IAC 2-7-5 (1)]

D.6.8 Scrubber Operation
D.6.9 Dry Cartridge Filter Operations
D.6.10 Broken or Failed Cartridge Filter Operations
D.6.11 Visible Emissions Notation

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)][326 IAC 2-7-19]

D.6.12 Record Keeping Requirements
D.6.13 Reporting Requirements

4. One (1) boiler, identified as boiler 4, segment ID 1, fueled by reclaimed residual oil, and segment ID 2, fueled by natural gas, maximum heat capacity is 90 MMBtu per hour, and exhausting to the common stack boiler.

5. One (1) boiler, identified as boiler 5, segment ID 1, fueled by natural gas, maximum heat capacity is 120 MMBtu per hour, and exhausting to the common stack boiler.

6. One (1) pneumatic shot blasting, identified as 324739, segment ID 2, media used is steel shot, using wet scrubber for control and exhausting to a stack.

7. One (1) pneumatic walnut shell shot blasting unit, identified as AC-NK8991, segment ID1, using a dry cartridge filter as control and exhausting inside the plant.

8. One (1) pneumatic shot blasting, identified as NK5448, segment ID 2, media used is steel shot, using wet scrubber for control and exhausting to a stack.

9. Four (4) pneumatic shot blasting units, identified as 180732, 132641, 180532, 180548 segment ID 2, media used is steel shot, using a wet scrubber to control facilities 132641, 180532, 180548 exhausting to a stack and a dry cartridge filter to control facility 180732, exhausting inside the plant.

10. One (1) pneumatic shot blasting, identified as 199672, segment ID 2, media used is steel shot, using wet scrubber for control and exhausting to a stack.

11. One (1) pneumatic shot blasting, identified as 132544, segment ID 2, media used is steel shot, using wet scrubber for control and exhausting to a stack.

12. Two (2) pneumatic shot blasting, identified as 220554, and 220544 segment ID 2, media used is steel shot, using wet scrubber for control and exhausting to a stack.

13. Four (4) reciprocating internal combustion engines, identified as dyna, segment ID 1, fueled by gasoline, combined heat capacity is 16.8 MMBtu per hour and exhausting to stacks.

14. Several cold cleaner basins, identified as CC, segment ID 1, solvent used is stoddard, agitation method is manual dip and/or spray, a lid is used as control when the degreasing operation is not in use.

15. Maintenance painting, identified as MAINTPT, segment ID 1.

16. One (1) Wheelabrator Multi table Shotblast Deburr identified as AAA006276, media used is steel shot, recirculation rate is 48,000 pounds per hour, using a wet scrubber for control.

17. One (1) Wheelabrator #22 Super III Tumblast identified as AAA012334, media used is steel shot, recirculation rate is 56,760 pounds per hour, using a wet scrubber for control.

18. One (1) Engineered Abrasive Shot Blaster identified as AAA018493, media used is steel shot, recirculation rate is 80 pounds per hour, using a cartridge bag house for control and exhausting inside the plant;

19. One (1) Engineered Abrasive Shot Blaster identified as AAA018494, media used is steel shot, recirculation rate is 80 pounds per hour, using a wet scrubber for control.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)]

SECTION D.4 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.

One (1) pneumatic walnut shell shot blasting unit, identified as AC-NK8991, segment ID1, using a dry cartridge filter as control and exhausting inside the plant.

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.4.1 Nonattainment Area Particulate Limitations [326 IAC 6-1-2]

Pursuant to 326 IAC 6-1-2 [Nonattainment Area Particulate Limitations] the shot blaster shall not allow or permit discharge to the atmosphere of any gases which contain particulate matter in excess of 0.07 gram per dry standard cubic meter (g/dscm) (0.03 grain per dry standard cubic foot (dscf)).

Process/Facility	Process Exhaust (scfm)	PM/PM_{10} Allowable Emissions (lbs/hr)	Rule Requirement gr/dscf
Shot Blaster AC-NK8991	4,000	1.0	0.03

D.4.2 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

The requirements that are not applicable to this shot blaster in accordance with Section B - Permit Shield, of this permit and 326 IAC 2-7-15 have been determined to be as follows:

(a) There are no New Source Performance Standards (326 IAC 12) applicable to this source.

(b) 326 IAC 6-3 (Process Operations), is not applicable because sources or facilities that are located in the nonattainment counties listed in 326 IAC 6-1-7 and have potential to emit one hundred (100) tons or more of particulate matter per year or have actual emissions of ten (10) tons or more of particulate matter per year, shall comply with the limitations of 326 IAC 6-1-2 (Nonattainment Area Particulate Limitations: Specified) rather than 326 IAC 6-3 (Process Operations).

Compliance Determination Requirement

D.4.3 Testing Requirements [326 IAC 2-7-6(1),(6)]

The Permittee is not required to test this facility by this permit. However, IDEM may require compliance testing at any specific time when necessary to determine if the facility is in compliance. If testing is required by IDEM, compliance with the PM limit specified in Condition D4.1 shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

D.4.4 Dry Cartridge Filter Operations

The dry cartridge filter, for particulate matter control shall be in operation at all times when the walnut shell shot blaster is in operation and exhausting to the atmosphere or inside the plant.

Compliance Monitoring Requirements [326 IAC 2-7-6 (1)] [326 IAC 2-7-5 (1)]

D.4.5 Dry Cartridge Filter Inspections

An inspection shall be performed each calendar quarter of all cartridge filters controlling the Walnut shell shot blasting operations when venting to the atmosphere. A cartridge filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective filters shall be replaced.

D.4.6 Broken or Failed Cartridge Filter Detection

(a) The affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

(b) For single compartment filtration units, failed units and associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

D.4.7 Visible Emissions Notations

(a) Daily visible emission notations of the associated control device's stack exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed.

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.4.8 Record Keeping Requirements

(a) To document compliance with Condition D.4.6, the Permittee shall maintain records of daily visible emission notations as specified under Condition D.4.6.

(b) To document compliance with Condition D.4.5, the Permittee shall maintain records of the quarterly dry cartridge filter as specified under Condition D.4.5.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

SECTION D.6 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.

Four (4) pneumatic shot blasting units, identified as 180732, 132641, 180532, 180548 segment ID 2, media used is steel shot, using a wet scrubber to control facilities 132641, 180532, 180548 exhausting to a stack and a dry cartridge filter to control facility 180732, exhausting inside the plant.
(Installation date is December 1977.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.6.1 Nonattainment Area Particulate Limitations [326 IAC 6-1-2]

Pursuant to 326 IAC 6-1-2 [Nonattainment Area Particulate Limitations] the shot blasters shall not allow or permit discharge to the atmosphere of any gases which contain particulate matter in excess of 0.07 gram per dry standard cubic meter (g/dscm) (0.03 grain per dry standard cubic foot (dscf)).

Process/Facility	Process Exhaust (scfm)	PM/PM_{10} Allowable Emissions (lbs/hr)	Rule Requirement gr/dscf
Shot Blaster 180732	4,000	1.0	0.03
Shot Blaster 132641	16,000	4.1	0.03
Shot Blaster 180532		4.1	0.03
Shot Blaster 180548		4.1	0.03

D.6.2 PSD Minor Limit [326 IAC 2-2][40 CFR 52.21]

The total potential to emit particulate matter emissions are less than 25 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) shall not apply.

D.6.3 Preventive Maintenance Plan [326 IAC 2-7-4(c)(9)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for this facility and its control device.

D.6.4 Nonapplicable Requirements [326 IAC 2-7-5 (a)(2)]

The requirements that are not applicable to these shot blasters in accordance with Section B - Permit Shield, of this permit and 326 IAC 2-7-15 have been determined to be as follows:

There are no New Source Performance Standards (326 IAC 12) applicable to this source.

Compliance Determination Requirement

D.6.5 Testing Requirements [326 IAC 2-7-6(1)]

During the period within 36 months after the issuance of this permit (September 1, 1999), the Permittee shall perform PM testing utilizing Methods 5 or 17 (40 CFR 60, Appendix A) or PM or other methods approved by the Commissioner. This initial test was completed on June 19, 2000. This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration for any one of the shotblast units identified as 132641, 180532, 1805438 or 180732.

D.6.6 Wet Scrubber Operation

The wet scrubber, for particulate matter shall be in operation at all times when the shot blaster is in operation and exhausting to the outside atmosphere.

D.6.7 Dry Cartridge Filter Operations

The dry cartridge filter, for particulate matter control shall be in operation at all times when the associated shot blaster is in operation and exhausting to the atmosphere or inside the plant.

Compliance Monitoring Requirements [326 IAC 2-7-6 (1)] [326 IAC 2-7-5 (1)]

D.6.8 Scrubber Operation

(a) The Permittee shall monitor and record the pressure drop and flow rate of the scrubber, at least once per week. The Compliance Response Plan for the scrubber shall contain troubleshooting contingency and corrective actions for when pressure drop and flow rate readings are outside of the normal range for any one reading.

(b) The instruments used for determining the pressure drop and flow rate shall be subject to approval by IDEM, OAM, and shall be calibrated at least once every six (6) months.

(c) An inspection shall be performed each calendar quarter of the scrubber. Defective scrubber part(s) shall be replaced. A record shall be kept of the results of the inspection and the number of scrubber part(s) replaced.

(d) In the event that a scrubber's failure has been observed:

The affected process will be shut down immediately until the failed unit has been replaced or repaired.

D.6.9 Dry Cartridge Filter Operations

An inspection shall be performed each calendar quarter of all cartridge filters controlling the steel shot blasting operations when venting to the atmosphere. A cartridge filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective filters shall be replaced.

D.6.10 Broken or Failed Cartridge Filter Detection

(a) The affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

(b) For single compartment filtration units, failed units and associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

D.6.11 Visible Emissions Notations

(a) Daily visible emission notations of the associated control device's stack exhaust shall be performed during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed.

Record Keeping and Reporting Requirements [326 IAC 2-7-5 (3)]

D.6.12 Record Keeping Requirements

(a) To document compliance with Condition D.6.11, the Permittee shall maintain records of daily visible emission notations as specified under Condition D.6.11.

(b) To document compliance with Condition D.6.6, the Permittee shall maintain records of the results of the inspections required under Condition D.6.6.

(c) To document compliance with Condition D.6.7, the Permittee shall maintain records of the results of the inspections required under Condition D.6.7.

(d) To document compliance with Condition D.6.8, the Permittee shall maintain records of the results of the inspections required under Condition D.6.8.

(e) To document compliance with Condition D.6.9, the Permittee shall maintain records of the results of the inspections required under Condition D.6.9.

(f) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.6.13 Reporting Requirements

A summary of the information to document compliance with Condition D.6.1 shall be submitted to the address listed in Section C - General Reporting Requirements, upon request.

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the
Technical Support Document for a Part 70 Minor Permit Modification

Source Name: DaimilerChrysler Corporation Transmission Plant
Source Location: 656 N. Delaware, Nappanee, IN 46515
County: Elkhart
SIC Code: 2451
Operation Permit No.: T 067-16664-00065
Permit Reviewer: Walter Habeeb

On February 22, 2003, the Office of Air Quality (OAQ) had a notice published in the Kokomo Tribune, in Kokomo, Indiana, stating that DaimilerChrysler Corporation had applied for a Modification to a Part 70 Operating Permit to operate a transmission plant. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

On March 19, 2003, DaimlerChrysler Corporation submitted comments on the draft of this Minor Permit Modification. The summary of the comments and corresponding responses follow (bolded language has been added, the language with strikeout has been deleted).

The OAQ prefers that the Technical Support Document reflect the permit that was on public notice. Changes to the permit or technical support material that occur after the public notice are documented in this Addendum to the Technical Support Document. This accomplishes the desired result of ensuring that these types of concerns are documented and part of the record regarding this permit decision.

Comment 1: Section D.4.1 of the Technical Support Document the Allowable Emissions section of the table should show the value 4.1 struck out along with the new value of 1.0.

Response 1: Section D.4.1 table shall be change to read as follows:

Process/Facility	Process Exhaust (scfm)	PM/PM_{10} Allowable Emissions (lbs/hr)	Rule Requirement gr/dscf
Shot Blaster AC-NK8991	4,000	1.0 ~~4.1~~	0.03

Comment 2: Section 4.8(b) - the phrase “wet scrubber operations” should read “quarterly dry cartridge filter inspections”.

Response 2: Section 4.8(b) will be changed to read:

D.4.8 Record Keeping Requirements

(b) To document compliance with Condition D.4.5, the Permittee shall maintain records of the ~~wet scrubber operations~~ **quarterly dry cartridge filter inspections** as specified under Condition D.4.5.

Comment 3: In Section D.6.5 the shotblast unit 180732 should not be listed as one of the units to be tested.

Response 3: Unit 180732 does not exhaust directly to the atmosphere, however it can still exhaust to the atmosphere from the building. Therefore, it is still subject to testing requirements of Section D.6.5 and will remain as one of the units required to be tested.

Comment 4: There is a concern the first paragraph of Section D.6.5 may be interpreted to require a stack test within 36 months of issuance of this Modification. DaimlerChrysler would propose to modify the wording of the paragraph to include the date of issuance of the original permit and the date of completion of the initial test.

Response 4: Section D.6.5 shall be modified to include the date of issuance of the original permit and the actual date of the completion of the initial test. Section D.6.5 shall read as follows:.

During the period within 36 months after the issuance of this permit **(September 1, 1999)**, the Permittee shall perform PM testing utilizing Methods 5 or 17 (40 CFR 60, Appendix A) for PM or other methods approved by the Commissioner. **This initial test was completed on June 19, 2000.** This test shall be repeated at least once every five (5) years from the date of this valid compliance demonstration for any one of the shotblast units identified as 132641, 180532, 1805438 or 180732.

Comment 5: Section D.6.9, the first sentence in both the TSD and the Modification refers to “the walnut shell shotblasting”. This should be “the steel shotblasting”.

Response 5: Section D.6.9 shall be changed to read as follows:

D.6.9 Dry Cartridge Filter Operations
An inspection shall be performed each calendar quarter of all cartridge filters controlling the ~~walnut shell~~ **steel** shotblasting operations when venting to the atmosphere.

Comment 6: Page 7 of the TSD indicates 40 CFR 52 Subpart P applies while Sections D.4.1 and D.6.1 of the permit correctly indicate that 326 IAC 6-1-2 applies. The TSD should be changed to indicate that 326 IAC 6-1-2 applies.

Response 6: Page 7 of the TSD, should have indicated that 326 IAC 6-1-2 applies not 40 CFR 52 Subpart P. The change is shown below.

~~Particulate Matter (PM) 40 CFR 52 Subpart P~~
~~Pursuant to T067-6504-00065, issued on September 1, 1999, the PM from the walnut shot blasting unit AC-NK8991 and steel shot blasting unit 180732 shall not exceed the pound per hour emission rate established as E in the following formula:~~

~~Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation~~:

~~$E = 4.10 P^{0.67}$ where E = rate of emission in pounds per hour and~~

~~P = process weight rate in tons per hour~~

~~The dry cartridge filters shall be in operation at all times shot blasting units AC-NK8991 and 180732 are in operation, in order to comply with this limit.~~

Nonattainment Area particulate Limitations [326 IAC 6-1-2]
Pursuant to 326 IAC 6-1-2 [Nonattainment Area Particulate Limitations] the shot blaster shall not allow or permit discharge to the atmosphere of any gases which contain particulate matter in excess of 0.07 gram per dry standard cubic meter (g/dscm) (0.03 grain per dry standard cubic foot (dscf)).

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Part 70 Minor Permit Modification.

Source Background and Description

Source Name:	DaimlerChrysler Corporation Transmission Plant
Source Location:	2401 S. Reed Road, Kokomo, Indiana 46904
County:	Howard
SIC Code:	3714
Operation Permit No.:	T067-6504-00065
Operation Permit Issuance Date:	September 1, 1999
Minor Source Modification No.:	067-166664-00065
Permit Reviewer:	Walter Habeeb

On January 13, 2003 the Office of Air Quality received an application from DaimlerChrysler Corporation Transmission Plant located at 2401 S. Reed Road, Kokomo, Indiana 46904, for the replacement of existing particulate matter control devices with dry cartridge particulate control devices as described for the following emission units (bold has been added and strikeout has been omitted).

Section A.2 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

7. One (1) pneumatic **walnut shell** shot blasting **unit**, identified as AC-NK8991, segment ID1, ~~media used is walnut shell, using a wet scrubber as control and exhausting to a stack~~ **using a dry cartridge filter as control and exhausting inside the plant.**

9. Four (4) pneumatic shot blasting **units**, identified as 180732, 132641, 180532, 180548 segment ID 2, media used is steel shot, using a wet scrubber to control facilities 132641, 180532, 180548 **exhausting to a stack** and a ~~baghouse~~ **dry cartridge filter** to control facility 180732, **exhausting inside the plant** ~~and exhausting to a stack~~.

Section D.4

One (1) pneumatic **walnut shell** shot blasting **unit**, identified as AC-NK8991, segment ID1, ~~media used is walnut shell, using a wet scrubber as control and exhausting to a stack~~ **using a dry cartridge filter as control and exhausting inside the plant.**

D.4.1 Nonattainment Area Particulate Limitation [326 IAC 6-1-2]

Process/Facility	Process Exhaust (scfm)	PM/PM_{10} Allowable Emissions (lbs/hr)	Rule Requirement gr/dscf
Shot Blaster AC-NK8991	~~16,000~~ **4,000**	1.0	0.03

D.4.4 ~~Wet Scrubber~~ **Dry Cartridge Filter** Operations

The~~ wet scrubber~~ **dry cartridge filter**, for particulate matter control shall be in operation at all times when the **walnut shell** shot blaster is in operation and exhausting ~~to the outside atmosphere~~ **to the atmosphere or inside the plant**.

D.4.5 ~~Scrubber Operation~~ **Dry Cartridge Filter Inspections**

~~(a) The Permittee shall monitor and record the pressure drop and flow rate of the scrubber, at least once per week. The Compliance Response Plan for the scrubber shall contain troubleshooting contingency and corrective actions for when pressure drop and flow rate readings are outside of the normal range for any one reading.~~

~~(b) The instruments used for determining the pressure drop and flow rate shall be subject to approval by IDEM, OAM, and shall be calibrated at least once every six (6) months~~.

~~(c) An inspection shall be performed each calendar quarter of the scrubber. Defective scrubber part(s) shall be replaced. A record shall be kept of the results of the inspection and the number of scrubber part(s) replaced.~~

~~(d) In the event that a scrubber's failure has been observed~~:

~~The affected process will be shut down immediately until the failed unit has been replaced or repaired.~~

An inspection shall be performed each calendar quarter of all cartridge filters controlling the walnut shell shot blasting operations when venting to the atmosphere. A cartridge filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective filters shall be replaced.

D.4.6 Broken or Failed Cartridge Filter Detection

(a) The affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

(b) For single compartment filtration units, failed units and associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

D.4.~~6~~ **7** Visible Emissions Notations

D.4.~~7~~ **8** Record Keeping Requirements

(a) To document compliance with Condition D.4.~~6~~ **7**, the Permittee shall maintain records of daily visible emission notations as specified under Condition D.4.~~6~~ **7**.

(b) To document compliance with Condition D.4.5, the Permittee shall maintain records of the ~~wet scrubber operations~~ **quarterly dry cartridge filter inspections** as specified under Condition D.4.5.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

Section D.6

Four (4) pneumatic shot blasting **units**, identified as 180732, 132641, 180532, 180548 segment ID 2, media used is steel shot, using a wet scrubber to control facilities 132641, 180532, 180548 **exhausting to a stack** and a ~~baghouse~~ **dry cartridge filter** to control facility 180732, **exhausting inside the plant** ~~and exhausting to a stack~~.

D.6.5 Testing Requirements [326 IAC 2-7-6(1)]

During the period within 36 months after the issuance of this permit **(September 1, 1999)**, the Permittee shall perform PM testing utilizing Methods 5 or 17 (40 CFR 60, Appendix A) for PM or other methods approved by the Commissioner. **This initial test was completed on June 19, 2000.** This test shall be repeated at least once every five (5) years from the identified as 180732, 132641, 180532, or 180548.

D.6.7 Dry Cartridge Filter Operations

The dry cartridge filter, for particulate matter control shall be in operation at all times when the associated shot blaster is in operation and exhausting to the atmosphere or inside the plant.

D.6.~~7~~ **8** Scrubber Operation

D.6.9 Dry Cartridge Filter Operations

An inspection shall be performed each calendar quarter of all cartridge filters controlling the steel shot blasting operations when venting to the atmosphere. A cartridge filter inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective filters shall be replaced.

D.6.10 Broken or Failed Cartridge Filter Detection

(a) The affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

(b) For single compartment filtration units, failed units and associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B-Emergency Provisions).

D.6.~~8~~ **11** Visible Emissions Notations

~~D.6.9 Baghouse Inspections~~

~~An inspection shall be performed each calender quarter of all bags (or paper cartridge filters) controlling the associated shot blasting operations when venting to the atmosphere. A baghouse inspection shall be performed within three months of redirecting vents to the atmosphere and every three months thereafter. Inspections are optional when venting to the indoors. All defective bags shall be replaced~~.

~~D.6.10 Broken or Failed Bag Detection~~

~~In the event that bag failure has been observed~~:

~~(a) The affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions~~).

~~(b) For single compartment baghouses, failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).~~

D.6.~~11~~**12** Record Keeping Requirements

(a) To document compliance with Condition D.6.~~7~~**11**, the Permittee shall maintain records of daily visible emission notations as specified under Condition D.6.~~7~~**11**.

(b) To document compliance with Condition D.6.6, the Permittee shall maintain records of the results of the inspections required under Condition D.6.6.

(c) To document compliance with Condition D.6.7, the Permittee shall maintain records of the results of the inspections required under Condition D.6.7.

(~~c~~**d**) To document compliance with Condition D.6.8, the Permittee shall maintain records of the results of the inspections required under Condition D.6.8.

(e) To document compliance with Condition D.6.9, the Permittee shall maintain records of the results of the inspections required under Condition D.6.9.

(~~d~~f) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.6.~~12~~**13** Reporting Requirements

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

The new emissions units exhaust inside the building.

Recommendation

The staff recommends to the Commissioner that the Part 70 Minor Source Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on January 13, 20003, Additional information was received on January 17, 2003.

Emission Calculations

See Appendix A (page 9) of this document for emission calculations.

Potential To Emit of Modification

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any

physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA."

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit. There will be no increase in emissions do to this modification.

Pollutant	Potential To Emit (tons/year)
PM	9.02
PM-10	0.0
SO_2	0.0
VOC	0.0
CO	0.0
NO_x	0.0

Justification for Modification

The Part 70 Operating permit is being modified through a Part 70 Minor Permit Modification. This modification is being performed pursuant to 326 IAC 2-7-12 (b)(1)(B): minor modifications that do not involve significant changes to existing monitoring, reporting, or record keeping requirements in the Part 70 permit.

County Attainment Status

The source is located in Howard County.

Pollutant	Status
PM-10	attainment
PM	attainment
NO_2	attainment or unclassifiable
SO2	attainment
CO	attainment or unclassifiable
Lead	attainment

(a) Howard County has been classified as attainment or unclassifiable for PM. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(b) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive PM emissions are not counted toward determination of PSD and Emission Offset applicability.

Source Status

Existing Source PSD or Emission Offset Definition (emissions after controls, based from the Airs Facility Subsystem Quick Look Report, dated January 21, 1999):

Pollutant	*KCP Emissions (tons/year)	*KTP Emissions (tons/year)	Total Emissions from the 2 plants (tons/year)
PM	305	175	480
PM-10	184	67.8	251.8
SO_2	61.8	1,638	1,700
VOC	16.9	18.75	35.65
CO	41.5	200	241.5
NOx	217.8	844.75	1,062.6

* KCP = Kokomo Casting Plant, KTP= Kokomo Transmission Plant

Potential to Emit of Modification After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 source modification.

	Potential to Emit (tons/year)						
Process/facility	PM	PM-10	SO_2	VOC	CO	NO_X	HAPs
Walnut Shot Blast AC-NK8991	0.75	0.0	0.0	0.0	0.0	0.0	0.0
Steel Shot Blast 180732	4.35	0.0	0.0	0.0	0.0	0.0	0.0
Total	5.10	0.0	0.0	0.0	0.0	0.0	0.0

This modification to an existing major stationary source is not major because the emissions increase is less than the PSD significant levels. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Federal Rule Applicability

(a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this proposed modification.

(b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAPs)(326 IAC 14 and 40 CFR Part 63) applicable to this proposed modification.

State Rule Applicability - Entire Source

326 IAC 2-2 and 40 CFR 52.21 (Prevention of Significant Deterioration)

Pursuant to 326 IAC 2-2 and CFR 52.21(Prevention of Significant Deterioration), this source is a major source because the potential emissions are greater than 250 tons per year. This status includes those activities at the source that are considered insignificant activities. The source shall be allowed to add insignificant activities not already in the permit.

State Rule Applicability - Individual Facilities

Particulate Matter (PM) 40 CFR 52 Subpart P

Pursuant to T067-6504-00065, issued on September 1, 1999, the PM from the walnut shot blasting unit AC-NK8991 and steel shot blasting unit 180732 shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

The dry cartridge filters shall be in operation at all times shot blasting units AC-NK8991 and 180732 are in operation, in order to comply with this limit.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this modification are as follows:

1. The walnut shot blaster (AC-NK8991) and the steel shot blaster (180732) have applicable compliance monitoring conditions as specified below:

   Daily visible emissions notations of the shot blasting stack exhaust for units AC-NK8991 and 180732 shall be performed during normal daylight operations. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. The Preventive Maintenance Plan for this unit shall contain troubleshooting contingency and corrective actions for when an abnormal emission is observed.

   These monitoring conditions are necessary because:

The dry cartridge filters for the walnut shot blasting and the steel shot blasting units must operate properly to ensure compliance with 326 IAC 6-3 (Process Operations) and 326 IAC 2-7 (Part 70).

Conclusion

The construction of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Minor Source Modification No. 067-16664-00065.

APPENDIX A
Emissions Calculations

Walnut Shell Shot Blaster Emission Factor - Emission unit AC - NK8991
No standard emission factor or stack test available. Conservatively assume that potential emissions are equal to the amount of shell consumed.

Calculations performed to determine compliance with 326 IAC 6-1-2 (a).

Limit from the rules	0.03 gr/dscf
acfm from the control	4,000
outlet of air	0.005 gr/scf

Allowable PM emissions
0.03 gr/dscf * 4,000 scf/min * lb/7000 grain * 60 min/hr = 1.03 lbs/hr = 4.51 tons/yr

Controlled emissions
0.005 gr/dscf * 4,000 scf/min * lb/7000 grain * 60 min/hr = 0.17 lbs/hr = 0.75 tons/yr

Since the controlled emissions are less than the limit of 1.03 lbs/hr, the shot blaster is in compliance with 326 AIC 6-1-2 (a).

Steel Shot Blaster Emission Factor - Emission unit 180732
No standard emission factor or stack test available. Conservatively assume that potential emissions are equal to the amount of shot consumed.

Calculations performed to determine compliance with 326 IAC 6-1-2 (a).

Limit from the rules	0.03 gr/dscf
acfm from the control	4,000
outlet of air	0.029 gr/scf

Allowable PM emissions
0.03 gr/dscf * 4,000 scf/min * lb/7000 grain * 60 min/hr = 1.03 lbs/hr = 4.51 tons/yr

Controlled emissions
0.029 gr/dscf * 4,000 scf/min * lb/7000 grain * 60 min/hr = 0.99 lbs/hr = 4.35 tons/yr

Since the controlled emissions are less than the limit of 1.03 lbs/hr, the shot blaster is in compliance with 326 AIC 6-1-2 (a).

Shot blast machine number	Rule 326 IAC 6-1-2(a) gr/dscf	The Outlet grain loading of the control in gr/cf	The Gas or Air flow rate (cfm)	PM/PM10 allowable Emissions (tpy)	Controlled emissions (tpy)	Compliance with rule 326 IAC 6-1-2 (a)
NK8991	0.03	0.005	4000	4.51	0.75	yes
180732	0.03	0.029	4000	4.51	4.35	yes

Methodology

(gr/dscf) * (gr/cf) * (cf/minute) * lb/7000 grains * 60 min/hr = lbs/hr